

# State Auditor McGuinness Says Jeanne Jugan Residence 'Unauditable'

**Dover, Del.** – State Auditor Kathy McGuinness said today that her office was unable to complete an examination of the Jeanne Jugan Residence nursing home because the facility did not keep proper documentation to support \$4 million in costs.

"Simply put, the Jeanne Jugan Residence was unauditable," McGuinness said. "I certainly understand that all long-term care facilities were hit hard by the pandemic and needed to focus resources on caring for their residents, but auditors gave the administration at Jeanne Jugan a total of 18 months – nine months before the pandemic began and nine months after it began – to produce the necessary documentation."

Delaware Code requires the State Auditor's Office to perform audits of long-term care facilities (LTCFs) each year for the state Department of Health & Social Services (DHSS). The state's LTCFs are audited on a rotating basis, and the Jeanne Jugan Residence was among six facilities audited in fiscal year 2020-21 for its 2016 Medicaid Cost Report and Nursing Wage Survey.

"I applaud the sisters at the Jeanne Jugan Residence for their mission to help those who are the most vulnerable among us," McGuinness said. "However, when any entity cannot produce basic financial records – in this case, patient census data and payroll supporting documents – I become concerned."

Although LTCFs are usually audited only every five to eight years, McGuinness said, her office will examine the Jeanne Jugan Residence again in fiscal year 2022 for its 2018 Medicaid Cost Report and Nursing Wage Survey.

"It's my sincere hope that next year's examination finds adequate internal controls and acceptable accounting practices," McGuinness said.

The Jeanne Jugan Residence examination can be located on the Auditor's Office website [here.](#)

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